

Fortune REIT Obtains Sustainability-Linked Loan of HK\$1.5 Billion from OCBC Bank

OCBC Bank is the sole lender for the transaction

Hong Kong, Singapore, 15 Jul 2021 – ARA Asset Management (Fortune) Limited (“the Manager”), the manager of Fortune Real Estate Investment Trust (“Fortune REIT”; SEHK: 778) announced today that Fortune REIT has secured a 5-year sustainability-linked loan worth HK\$1.5 billion from OCBC Bank, which is the sole lender and sustainability advisor for the facility. The facility is the latest sustainable financing for Fortune REIT, reinforcing the REIT’s ongoing commitment in integrating sustainability into its operations.

The loan will be used to refinance Fortune REIT’s existing club facility and for general corporate funding purpose. The interest margins of the loan facility will tie to a set of predetermined environmental, social and governance (ESG) targets, including reduction in electricity consumption, greenhouse gas emissions and waste reduction in general of its properties. The annual performance of these ESG metrics will be assessed by an external independent party, where Fortune REIT will be entitled to interest rate savings for the loan when the predetermined ESG targets are achieved.

Ms Justina Chiu, Chief Executive Officer of the Manager, said, “This is Fortune REIT’s second green financing initiatives, which has more than doubled our sustainability-linked loan facilities to an aggregate of HK\$2.5 billion now. These sustainability-linked credit facilities reflect the depth of our commitment to advancing Fortune REIT’s ESG goals. By tying our environmental metrics to our financial performance, we aim to achieve positive sustainable impact in our business while showing our support in the development of sustainable capital markets in Hong Kong.”

Mr Tan Wing Ming, Regional General Manager for North East Asia of OCBC Bank, said, “We are delighted to partner sustainability-minded companies such as Fortune REIT that are leveraging sustainable finance and incorporating sustainable practices into their operations. Combating climate change is only possible through such partnerships, and we will continue to work hard with our stakeholders to proactively encourage more sustainable transactions.”

Sustainable financing is a key tenet of OCBC Bank’s strategy. Having achieved its original sustainable finance portfolio target of \$10 billion in the first quarter of 2020 – two years ahead of schedule – the bank has set a new ambitious target of \$25 billion by 2025.

Fortune REIT is managed by ARA Asset Management (Fortune) Limited and is a constituent of the Hang Seng Corporate Sustainability Index.

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Photo Caption



Fortune REIT and OCBC Bank signed a HK\$1.5 billion sustainability-linked loan. Ms Justina Chiu, Chief Executive Officer of ARA Asset Management (Fortune) Limited, and Mr Rox K.C. Lam, Deputy General Manager of OCBC Bank Hong Kong Branch, commemorated the green financing partnership by visiting Fortune City One and viewing the newly installed solar panels.

Press Release

About Fortune REIT

Established in 2003, Fortune REIT is a real estate investment trust constituted by a trust deed (as amended, supplemented or otherwise modified from time to time). It is the first REIT to hold assets in Hong Kong and is currently listed on the Main Board of The Stock Exchange of Hong Kong Limited.

Fortune REIT currently holds a portfolio of 16 private housing estate retail properties in Hong Kong, comprising of 3 million sq. ft. of retail space and 2,713 car parking spaces. The retail properties are Fortune City One, +WOO, Ma On Shan Plaza, Metro Town, Fortune Metropolis, Laguna Plaza, Belvedere Square, Waldorf Avenue, Caribbean Square, Jubilee Square, Tsing Yi Square, Smartland, Centre de Laguna, Hampton Loft, Lido Avenue and Rhine Avenue. They house tenants from diverse trade sectors such as supermarkets, food and beverage outlets, banks, real estate agencies, and education providers. More information can be found at www.fortunereit.com

About ARA Asset Management (Fortune) Limited, the Manager. Fortune REIT is managed by ARA Asset Management (Fortune) Limited, the manager of Fortune REIT. The Manager is a wholly-owned subsidiary of ARA Asset Management Limited, a leading APAC real assets fund manager with a global reach. More information can be found at www.ara-group.com.

Disclaimer. The information contained in this press release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for Units or related financial instruments in Fortune REIT in Hong Kong or any other jurisdiction.

About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with Aa1 by Moody's and AA- by both Fitch and S&P. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has more than 470 branches and representative offices in 19 countries and regions. These include over 230 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and over 70 branches and offices in Mainland China, Hong Kong SAR and Macau SAR under OCBC Wing Hang.

OCBC Bank's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

For more information, please visit www.ocbc.com.

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